

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;
Robert G. Taub, Vice Chairman;
Mark Acton;
Tony Hammond; and
Nanci E. Langley

Market Dominant Product Prices
Bilateral Agreement Between United States Postal
Service and Singapore Post Limited (MC2010-35)
Negotiated Service Agreement

Docket No. R2013-8

NOTICE CONCERNING BILATERAL AGREEMENT
WITH SINGAPORE POST LIMITED

(Issued June 7, 2013)

I. INTRODUCTION

On June 4, 2013, the Postal Service filed notice, pursuant to 39 CFR 3010.40 *et seq.*, that it has entered into a modification of a bilateral agreement for inbound market dominant services with Singapore Post Limited (2013 Agreement).¹ The 2013 Agreement concerns an extension to March 31, 2014 and revised Annex 1 rates.

¹ Notice of United States Postal Service of Filing Additional Inbound Market Dominant Multi-Service Agreements with Foreign Postal Operators 1 Negotiated Service Agreement (with Singapore Post Limited), June 4, 2013 (Notice). Underlying agreements include the Docket No. R2012-1 (Singapore Post Agreement) and the Docket No. R2013-5 Modification (to the Singapore Post Agreement). The Postal Service refers to the 2013 Agreement filed in this case as Modification Three.

Notice at 1-2. The 2013 Agreement, if approved, would supersede a recently-approved extension to July 31, 2013.² Notice at 2.

The Postal Service seeks to have the 2013 Agreement included within the Inbound Market Dominant Multi-Service Agreements with Foreign Postal Operators 1 product on grounds of functional equivalence to the agreement filed in Docket No. MC2010-35.³ *Id.*

II. CONTENTS OF FILING

Compliance with filing requirements. The Postal Service's filing consists of a Modified Agreement and supporting documents addressing compliance with 39 U.S.C. 3633 and 39 CFR 3015.5 (filed under seal); a public Excel file containing redacted versions of financial workpapers filed under seal; the Notice; and four attachments to the Notice. Attachment 1 is the Postal Service's Application for Non-Public Treatment of the material filed under seal. Attachment 2 is a redacted copy of the 2013 Agreement. Attachments 3 and 4, respectively, are redacted copies of the Docket No. R2013-5 Modification and the Docket No. R2012-1 Singapore Post Agreement.

The Postal Service states that the rates in the 2013 Agreement are expected to become effective on August 1, 2013; asserts that the requisite 45 days' advance notice is being provided; and identifies a Postal Service official as a contact for further information. *Id.* at 4. The Postal Service identifies the parties to the 2013 Agreement as the United States Postal Service and Singapore Post Limited, the postal operator for Singapore. *Id.*

The Postal Service states that other than extending the current Singapore Post Agreement and revising the rates in Annex 1 of that Agreement, the 2013 Agreement

² See Docket No. R2013-5, Order No. 1721, Order Granting Motion for Temporary Relief, May 17, 2013.

³ A copy of the Singapore Post Agreement Modification Two that was the subject of Docket No. R2013-5 is included as Attachment 3. A redacted copy of the Singapore Post Agreement filed in Docket No. R2012-1 is included as Attachment 4.

does not materially change the terms of the Singapore Post Agreement. *Id.* at 5. It therefore requests that the Commission refer to the notice filed in Docket No. R2012-1 for a discussion of certain enhancements (related to the performance of mail preparation, processing, transportation, or other functions) and actions to assure that the 2013 Agreement will not result in unreasonable harm to the marketplace. *Id.* at 5-6.

Rule 3010.43—data collection plan. The Postal Service requests, based on reasons described in the Notice filed in Docket No. R2012-1 and consistent with Order Nos. 995 and 1610, that the Singapore Post Agreement Modification Three be excepted from separate reporting under 39 CFR 3055.2(a)(3). *Id.* at 6.

Consistency with applicable statutory criteria. The Postal Service states that under 39 U.S.C. 3622, the criteria for the Commission's review are whether the 2013 Agreement (1) improves the net financial position of the Postal Service or enhances the performance of operational functions, (2) will not cause unreasonable harm to the marketplace; and (3) will be available on public and reasonable terms to similarly situated mailers.⁴ Notice at 6-7. The Postal Service states that Part I.A. of its Notice addresses 39 U.S.C. 3622(c)(10)(A) and (B). *Id.* at 7. The Postal Service asserts that there are no entities similarly situated to Singapore Post Limited in their ability to tender broad-based Letter Post flows from Singapore under similar operational conditions, nor are there any other entities that serve as a designated operator for Letter Post originating in Singapore. *Id.* Based on the Commission's finding that the Docket No. R2012-1 Singapore Post Agreement and the Docket No. R2013-5 Modification met the criteria in 39 U.S.C. 3622(c)(10), the Postal Service respectfully urges the Commission to act promptly by allowing the 2013 Agreement to be implemented under 39 CFR 3010.40. *Id.*

⁴ See 39 U.S.C. 3622(c)(10)(A) and (B).

III. COMMISSION ACTION

The Commission, in conformance with rule 3010.44, hereby establishes Docket No. R2013-8 to consider issues raised by the Notice. The Commission invites comments from interested persons on whether the 2013 Agreement is consistent with 39 U.S.C. 3622 and the requirements of 39 CFR part 3010. Comments are due no later than June 14, 2013. The public portions of this filing can be accessed via the Commission's website (<http://www.prc.gov>). Information on how to obtain access to non-public material appears at 39 CFR 3007.40.

The Commission appoints Derrick D. Dennis to serve as Public Representative in this docket.

IV. ORDERING PARAGRAPHS

It is ordered:

1. The Commission establishes Docket No. R2013-8 for consideration of matters raised by the Postal Service's Notice.
2. Pursuant to 39 U.S.C. 505, Derrick D. Dennis is appointed to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.
3. Comments by interested persons in this proceeding are due no later than June 14, 2013.

4. The Secretary shall arrange for publication of this Order in the *Federal Register*

By the Commission.

Shoshana M. Grove
Secretary